VZCZCXRO0086 OO RUEHBI RUEHCI RUEHDBU RUEHLH RUEHPW DE RUEHNE #2230/01 1291356 ZNY CCCCC ZZH O 091356Z MAY 07 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 5504 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 6131 RUEHMO/AMEMBASSY MOSCOW 2075 RUEHKO/AMEMBASSY TOKYO 4965 RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 4641 RUEHGV/USMISSION GENEVA 6895

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 002230

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E.O. 12958: DECL: 05/09/2016
TAGS: <u>PGOV PHUM PREL PINR ENRG IN IR</u>

SUBJECT: PARLIAMENT ADJOURNS AMIDST CHAOS: US LAWMAKERS' LETTER STOKES THE IRE OF PARLIAMENTARIANS

REF: A. NEW DELHI 2143

\_B. NEW DELHI 2139

Classified By: Charge D'Affaires Geoffrey Pyatt for reasons 1.4 (B,D)

 $\P 1.$  (C) Summary: May 7 marked another day of shouting and chaos in both houses of the Indian Parliament. Congress went after the Bharatiya Janata Party (BJP) on the fake encounter killings of Muslims in Gujarat, demanding the resignation of Gujarat Chief Minister (CM) Narendra Modi for his alleged involvement (ref B). The BJP attacked Congress for its complacent response to Lashkar-e-Taiba elements at a Srinagar rally and the Communist Party of India (Marxist) (CPI(M)) for its involvement in the death of farmers in Nandigram. Left and BJP all ganged up on Congress and its UPA government, demanding a tough response to the "insulting" letter from seven U.S. Members of Congress warning India against ties with Iran. Minister of Petroleum Murli Deora told the Rajya Sabha (upper house) in unconditional terms, that India will not be "cowed down" by anyone. Foreign Minister Pranab Mukerjee was expected to address the Lok Sabha (lower house) on May 9 and Foreign Secretary Shiv Shankar Menon was to be by his side, but the address may slip to May 10. Opposition and Left Parties are attacking the UPA government for being too close to the U.S. and compromising India's sovereignty. End Summary

Parliament Adjourns Amidst Chaos

12. (C) Both the Rajya Sabha and the Lok Sabha adjourned on May 7 following turmoil over domestic issues and a letter from seven U.S. Members of Congress warning that India's relationship with Iran could jeopardize further nuclear cooperation. The Samajwadi Party and Congress demanded a discussion on the murder of Muslims in staged police encounters in Gujarat and insisted on the arrest and resignation of current BJP CM Narendra Modi. The BJP countered with accusations of CPI(M)'s role in the death of farmers in Nandigram and Congress' tolerance of Lashkar-e-Taiba presence and anti-India slogans shouted at separatist Syed Ali Shah Geelani's rally in Srinagar. In an unlikely (and temporary) alliance, CPI(M) Brinda Karat and BJP Sushma Swaraj joined powers to demand the Prime Minister address Parliament on the civil nuclear deal and the "insulting" letter from U.S. lawmakers. While the Left ranted about the letter from the U.S., Congress members

trooped into the well condemning the fake police encounter killing and BJP members began shouting slogans in Hindi translating to, "Save Kashmir! Save the Country!" Business for the day halted, as the Rajya Sabha was forced to adjourn. A similar scene developed in the Lok Sabha, causing the lower house to adjourn as well.

Petroleum Minister Deora: "India will not be cowed down by anyone"

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13. (C) On May 8, Petroleum Minister Murli Deora issued strong statements to the Rajya Sabha about India's relationship with the U.S. and responded to CPI(M) Brinda Karat's queries on the letter from U.S. Members of Congress. He stated that "India will not be cowed down by anyone including the United States" on the proposed Iran-Pakistan-India gas pipeline." Deora affirmed that during Energy Secretary Sam Bodman's visit, the GOI "explained to him (Bodman) that it is not their (American) business. We will do whatever is good for us." On the nuclear deal, he unconditionally declared the no one "could pressurize the country on the issue" and that there was no question of the "U.S. or any other country interfering in India's internal affairs."

## Pranab to Address Parliament

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15. (C) May 9, Parliament expected Minister of External Affairs Pranab Mukherjee to address the Lok Sabha on the lawmakers' letter, concerns of India's sovereignty and the bilateral relationship with the U.S., including the civil nuclear deal. Press reports suggested Mukherjee's statement

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would be "unambiguous," reiterating that India opposes Iran's nuclear weapons ambitions but will make no assurances to restrict its ties with Iran. If Mukherjee is given the opportunity to speak -- though the opposition and the Left have demanded a statement from the government, Mukherjee could get shouted off the dais, given the current tenor in Parliament -- the government is preparing to shrug off accusations of succumbing to America and pressure by U.S lawmakers.

16. (C) Comment: As of COB on May 9, Mukherjee had not addressed the Parliament. Regardless of when he makes his address, the letter from U.S. lawmakers appears to have re-shaped proceedings, and the UPA has been cornered into defending the blossoming U.S./India relationship while protecting itself from attacks over India's foreign policy independence. All this is taking place with Uttar Pradesh elections as a backdrop, and with disappointing results expected for Congress. Post considers this current attack on the U.S./India relationship as short-lived, and the hysterical response to the letter as an opportunity seized on by UPA Opposition elements to score political points. Mukherjee has played this role before, drawing a balance in Parliament between the U.S./India relationship and India's proudly independent foreign policy. Assuming he is allowed to speak, we can expect him to assert India's sovereignty, but also to advocate for the overall U.S./India bilateral relationship. End Comment. **PYATT**